

D R A F T

MEMORANDUM FOR: _____

SUBJECT : United States Federal Income Taxation

1. As a participant in the United States Government Contract Personnel Retirement Program #1000, dated 23 June 1960, you understand that the following monies are subject to United States Federal income taxation, and you agree that deductions for such purpose may be made therefrom by this organization:

(a) Those yearly payments of additional compensation into your retirement account which are calculated at the rate of 3 1/2% of your basic contractual compensation.

(b) Interest earned on all monies credited to your retirement account which are deposited in a United States banking institution.

2. You understand that monetary credits accumulated in your retirement account which are based upon 7% of your basic contractual compensation are not subject to United States Federal income taxation.

For your information, these 7% credits total \$ _____ through
cob _____.

United States Government Contracting Officer

ACKNOWLEDGED:

Name